Form (2)

088. ၁

29.1.2016

The Republic of The Union of Myanmar
The Myanmar Investment Commission
Permit

Permit No. 1063 / 2016 Date 29th January, 2016

This Permit is issued by the Myanmar Investment Commission according to the section 13 (b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/Promoter MR. BAO ZHENBIN

(b) Citizenship CHINESE

(c) Address NO.19, TAIPING STONE, YUHAI STREET, RUIAN CITY, ZHEJIANG PROVINCE, PEOPLE'S REPUBLIC OF CHINA

(d) Name and Address of Principal Organization -

(e) Place of incorporation -

(f) Type of Investment Business MANUFACTURING AND MARKETING OF PARQUET AND SAWN TIMBER

(g) Place(s) at which investment is permitted PLOT NO. (1+2), BLOCK NO. (PA PA-35), (ZAMYINZWE) YADANARPONE, PYIGYEE TAGON TOWNSHIP, MANDALAY REGION

(h) Amount of Foreign Capital US$ 4.00 MILLION

(i) Period for Foreign Capital Brought in WITHIN 24 MONTHS FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total Amount of Capital (Kyat) EQUIVALENT IN KYAT OF US$ 5.00 MILLION (INCLUDING US$ 4.00 MILLION)

(k) Construction period 24 MONTHS

(l) Validity of Investment Permit 20 YEARS

(m) Form of Investment JOINT VENTURE

(n) Name of Company Incorporated in Myanmar CHINA CBA INVESTMENT COMPANY LIMITED

Chairman

The Myanmar Investment Commission

Republic of the Union of Myanmar ★ Myanmar Investment Commission ★
Sr.No......................
Date......................

THE REPUBLIC OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

No.(1), Thitsar Road, Yankin Township, Yangon

Tel : 01-658127
Fax: 01-658136

Our ref : DICA-2/ FI- 135/2016(၀၈၈-ဍ)
Date : 29th January 2016

Subject : Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing and Marketing of Parquet and Sawn Timber" under the name of China CBA Investment Company Limited

Reference: China CBA Investment Company Limited Letter dated (11-11-2015)

1. The Myanmar Investment Commission, at its meeting (1/2016) held on (15-1-2016) had approved the proposal for investment in "Manufacturing and Marketing of Parquet and Sawn Timber" under the name of "China CBA Investment Company Limited" submitted as a Joint Venture between Daw Cho Cho San (20%) from the Republic of the Union of Myanmar and Mr. Bao Zhenbin (70%), Mr. Jiang Jianguo (5%) and Mr. Tong Weijun (5%) from the People's Republic of China.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to Foreign Investment Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 20 (twenty) years. The term of the Lease shall be 20 (twenty) years commencing from the date of signing of the Lease Agreement by mutual agreement between U Zaw Min Tun (Lessor) and China CBA Investment Company Limited (Lessee). On the expiry of the lease period, or termination of the Land Lease Agreement, China CBA Investment Company Limited shall transfer the leased land

including immovable properties without any consideration to the Lessor within 3(three) months in good condition.

4. The annual rent for the land shall be US$ 42087.30 (United States Dollar forty two thousand and eighty seven and thirty cent only), calculated at the rate of US$ 5 per square meter per year of the total land measuring 8417.46 square meters (2.08 acres). The rate of rent shall be revised after every five years, and the increase of the rent shall not be more than 5 % of the previous annual rent.

5. In issuing this "Permit," the Commission has granted the following exemptions and reliefs as per Chapter XII, section 27 (a), (h), (i) and (k) of the Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project;

(a) As per section-27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial operation;

(b) As per section-27(h), exemption or relief from customs duty or other internal taxes or both on machinery, equipment, instrument, machinery components, spare parts and materials used in the business which are imported as they are actually required for use during period of construction of business;

(c) As per section-27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

(d) As per section-27(k), exemption or relief from commercial tax on the goods produced for export;

6. China CBA Investment Company Limited shall have to sign the Land Lease Agreement with U Zaw Min Tun. Moreover, Daw Cho Cho San shall have to sign the Joint Venture Agreement with Mr. Bao Zhenbin,

Mr. Jiang Jianguo and Mr. Tong Weijun . After signing such Agreements, each of (5)copies shall have to be forwarded to the Commission.

7. China CBA Investment Company Limited shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit" it shall become null and void.

8. China CBA Investment Company Limited has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

9. As per Chapter X, Rule 61 of the Foreign Investment Rules, extension of construction period shall not be granted more than twice except it is due to unavoidable events such as natural disasters, instabilities, riots, strikes, emergency of State condition, insurgency and outbreak of wars.

10. As per Chapter X, Rule 63 of the Foreign Investment Rules, if China CBA Investment Company Limited cannot construct completely in time the construction period or extension period, the Commission will have to withdraw the permit issued to the investor and there is no refund for the expenses of the project.

11. The investor or promoter shall apply the commencement date of commercial operation with Form (11) for their manufacturing business and report to the Commission in accordance with Foreign Investment Rule 97.

12. China CBA Investment Company Limited is prohibited from importing (if any) the same species of wood available in Myanmar.

13. China CBA Investment Company Limited shall endeavour to meet the targets for production and for export stated in the proposal as the minimum target.

14. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal and also in accordance with Chapter XI, section 24 and section 25 of the Foreign Investment Law and the

China CBA Investment Company Limited has to follow the existing Labour Laws for the recruitment of staff and labour in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

15. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of the Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rules 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under Chapter I, section-2(i) of the Foreign Investment Law, other than foreign currency.

16. Whenever China CBA Investment Company Limited brings in foreign capital defined under Chapter I, section-2(i) of the Foreign Investment Law, other than foreign currency in the manner of paragraph 16(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

17. China CBA Investment Company Limited has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 of the Foreign Investment Rules and for transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the State and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of citizen or citizen-owned business by

submitting the sufficient document in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

18. China CBA Investment Company Limited shall report to the Commission for any alteration in the physical and financial plan of the project. Cost overrun, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

19. China CBA Investment Company Limited shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Environmental Conservation and Forestry in which to conduct an Initial Environmental Examination (IEE) Process and an Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity has to be prepared and submitted and to perform activities in accordance with this EMP and be abided by the environmental policy, Environmental Conservation Law and other environmental related rules and procedures.

20. China CBA Investment Company Limited shall have to apply for private owned plantation areas of own consumptions to Forest Department, Ministry of Environmental Conservation and Forestry.

21. After getting permit from Myanmar Investment Commission, China CBA Investment Company Limited shall have to be registered at the Directorate of Industrial Supervision and Inspection.

22. China CBA Investment Company Limited shall have to abide by the Fire Services Department's rules, regulations, directives and instructions. Moreover, fire prevention measures shall have to undertake such as water

storage tank, fire extinguishers and provide training to use the fire fighting equipments and also to be appointed the fire safety officer.

23. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials and spare parts etc., shall be made either out of the local sales in Kyat currency and US$ or from export earnings of China CBA Investment Company Limited.

24. China CBA Investment Company Limited in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter XII, Rule 79 and 80 of the Foreign Investment Rules.

(Zay Yar Aung)
Chairman

Managing Director
China CBA Investment Company Limited

cc: 1. Office of the Government of the Republic of the Union of Myanmar
2. Ministry of Home Affairs
3. Ministry of Foreign Affairs
4. Ministry of Environmental Conservation and Forestry
5. Ministry of Electric Power
6. Ministry of Immigration and Population
7. Ministry of Industry
8. Ministry of Commerce
9. Ministry of Finance
10. Ministry of National Planning and Economic Development
11. Ministry of Labour, Employment and Social Security
12. Central Bank of Myanmar
13. Office of the Mandalay Region Government

14. Director General, Department of Environmental Conservation
15. Director General, Forest Department
16. Director General, Immigration and National Registration Department
17. Director General, Directorate of Industrial Supervision and Inspection
18. Director General, Directorate of Trade
19. Director General, Customs Department
20. Director General, Internal Revenue Department
21. Director General, Directorate of Investment and Company Administration
22. Director General, Directorate of Labour
23. Director General, Fire Service Department
24. Managing Director, Myanma Timber Enterprise
25. Managing Director, Myanma Electric Power Enterprise
26. Managing Director, Myanma Foreign Trade Bank
27. Managing Director, Myanma Investment and Commercial Bank
28. Managing Director, Myanma Insurance
29. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)

ပုံစံ (၂)

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်
ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ်၊ ၁၀၆၃/၂၀၁၆ ၂၀၁၆ ခုနှစ် ဇန်နဝါရီလ ၂၈ ရက်

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော် နိုင်ငံခြား ရင်းနှီးမြှုပ်နှံမှုဥပဒေပုဒ်မ ၁၃၊ ပုဒ်မခွဲ(ခ) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည်-

(က) ရင်းနှီးမြှုပ်နှံသူ/ကမကထပြုသူ၏အမည် MR. BAO ZHENBIN

(ခ) နိုင်ငံသား CHINESE

(ဂ) နေရပ်လိပ်စာ NO.19, TAIPING STONE, YUHAI STREET, RUIAN CITY, ZHEJIANG PROVINCE, PEOPLE'S REPUBLIC OF CHINA

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ -

(င) ဖွဲ့စည်းရာအရပ် -

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား ပါကေးနှင့် သစ်ခွဲသားများ ထုတ်လုပ်ရောင်းချခြင်းလုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) မြေကွက်အမှတ်(၁+၂)၊ မြေတိုင်းရပ်ကွက်အမှတ်(ပပ-၃၅)၊ (ဈ)ရတနာပုံရပ်ကွက်၊ ပြည်ကြီးတံခွန်မြို့နယ်၊ မန္တလေးတိုင်းဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်းပမာဏ အမေရိကန်ဒေါ်လာ ၄.၀၀ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင် ခွင့်ပြုမိန့် ရရှိသည့်နေ့မှ ၂၄ လ အတွင်း

(ည) စုစုပေါင်းမတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၅.၀၀ သန်းနှင့် ညီမျှသော မြန်မာကျပ်ငွေ (အမေရိကန်ဒေါ်လာ ၄.၀၀ သန်းအပါအဝင်)

(ဋ) တည်ဆောက်မှုကာလ ၂၄ လ

(ဌ) ရင်းနှီးမြှုပ်နှံမှုခွင့်ပြုသည့် သက်တမ်း ၂၀ နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ဖက်စပ် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

(ဎ) မြန်မာနိုင်ငံတွင်ဖွဲ့စည်းမည့်ကုမ္ပဏီအမည် CHINA CBA INVESTMENT COMPANY LIMITED

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်